

FINCA AFGHANISTAN
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2018

	Note	2018 -----USD-----	2017 -----
ASSETS			
Current assets			
Cash and bank balances	4	2,259,867	2,188,122
Microfinance loans to customers - net	5	16,968,149	17,921,912
Advances, prepayments and other receivables	6	85,129	88,162
		<u>19,313,145</u>	<u>20,198,196</u>
Non-current assets			
Property and equipment	7	139,000	94,270
Intangible assets	8	132,407	10,979
		<u>271,407</u>	<u>105,249</u>
TOTAL ASSETS		<u>19,584,552</u>	<u>20,303,445</u>
Non-current liabilities			
LIABILITIES			
Current liabilities			
Accrued and other liabilities	9	1,144,807	953,442
Payable to/(receivable from) FINCA International	10	23,181	216,160
Short term loans	11	2,375,770	1,723,705
		<u>3,543,758</u>	<u>2,893,307</u>
Non-current liabilities			
Long term loans	12	10,801,619	11,624,433
		<u>14,345,377</u>	<u>14,517,740</u>
TOTAL LIABILITIES		<u>14,345,377</u>	<u>14,517,740</u>
NET ASSETS		<u>5,239,175</u>	<u>5,785,705</u>
REPRESENTED BY:			
Share capital	13	100,000	100,000
Accumulated losses		<u>(6,404,766)</u>	<u>(6,299,193)</u>
		<u>(6,304,766)</u>	<u>(6,199,193)</u>
Advance against issue of share capital	14	2,000,000	2,000,000
Donated equity / capital reserve	15	11,880,993	11,880,993
Currency translation adjustment		<u>(2,337,052)</u>	<u>(1,896,095)</u>
		<u>5,239,175</u>	<u>5,785,705</u>
Contingencies and commitments	16		

The annexed notes from 1 to 28 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

FINCA AFGHANISTAN
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2018

	2018	2017	
Note	-----USD-----		
Interest / markup income	17	6,083,912	6,391,960
Financial charges on term loans	18	(952,442)	(945,260)
		5,131,470	5,446,700
Impairment losses on microfinance loans	5.4	(325,872)	(149,585)
Program services and administrative expenses	19	(3,467,690)	(3,714,536)
TOTAL EXPENSES		(3,793,562)	(3,864,121)
NET OPERATING INCOME		1,337,908	1,582,579
Grant income	20	94,997	93,601
Other income		997	334
<i>Item that will not be reclassified subsequently to profit or loss</i>		95,994	93,935
PROFIT BEFORE INCOME TAX		1,433,902	1,676,514
Taxation	21	(245,439)	(194,101)
PROFIT FOR THE YEAR		1,188,463	1,482,413
OTHER COMPREHENSIVE INCOME			
Items that will be reclassified to profit or loss subsequently:			
Currency translation adjustments		(440,957)	(236,504)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		747,506	1,245,909
EARNINGS PER SHARE - BASIC	22	566	706

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CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

**FINCA AFGHANISTAN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018**

2018 2017
-----USD-----

A. CASH FLOWS FROM OPERATING ACTIVITIES

Profit before taxation	1,433,902	1,676,514
Adjustment for non-cash and other items:		
Provision for impairment losses on microfinance loans	325,872	149,585
Loans written off net of recoveries	86,272	(208,928)
Financial charges on loan from lenders	952,442	945,260
Depreciation	43,965	42,460
Amortization	29,756	1,983
Unrealised foreign currency gain / (loss)	(1,043,895)	(667,560)
	394,412	262,800
 (Increase) / decrease in current assets		
Microfinance loans to customers	597,711	(1,141,040)
Advances, prepayments and other receivables	3,033	15,361
Net Receivable / (Payable) from (to) FINCA	(192,979)	179,058
	407,765	(946,621)
Increase in current liabilities		
Accrued and other liabilities	155,775	97,288
Cash generated from/ (used in) operations	2,391,854	1,089,981
 Tax Paid		
Financial charges paid on loans from lenders	(207,806)	(113,428)
Net cash generated from operating activities	(954,485)	(934,251)
	1,229,563	42,302

B. CASH FLOWS FROM INVESTING ACTIVITIES

Advances, prepayments and other receivables		
Additions to property and equipment	(98,552)	(54,422)
Additions to intangible assets	(157,731)	(11,167)
Net cash used in investing activities	(256,283)	(65,589)

C. CASH FLOWS FROM FINANCING ACTIVITIES

Long term loans received	542,501	1,912,881
Short term loans received	1,845,473	2,123,705
Short term loans repaid	(1,995,473)	(2,848,475)
Dividends paid	(1,294,036)	(232,879)
Net cash (used in) / generated from financing activities	(901,535)	955,232
Net decrease in cash and cash equivalents (A+B+C)	71,745	931,945
Cash and cash equivalents at the beginning of the year	2,188,122	1,256,177
Cash and cash equivalents at the end of the year	2,259,867	2,188,122

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CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER